

WASHINGTON, D. C. 20505

17 OCT 1974

Mr. James M. Frey  
Deputy Associate Director  
International Affairs Division  
Office of Management and Budget  
Washington, D.C. 20503

Dear Mr. Frey:

Thank you for your letter inviting the IC Staff to participate in the joint OSD/OMB Budget Hearings on intelligence. We welcome the opportunity to participate and will do so fully.

We are sensitive to the particular complexities presented by the new Congressional requirements and will do all we can to assist in making the presentations as meaningful as possible.

The IRAC meeting held yesterday served as a useful launching for the difficult decisions ahead. We are most appreciative of Don Ogilvie's briefing which placed the IC's problem in perspective in terms of the overall problem facing us all.

25X1 [redacted] and his staff are already working with OSD and your people to insure as much cooperation as possible during the hearings and in preparation for the decision that must be taken.

Sincerely,

WILSON

Samuel V. Wilson  
Lieutenant General, USA  
Deputy to the Director for the  
Intelligence Community

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EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

OCT 8 1974

Major General Samuel V. Wilson  
Deputy to the Director for the  
Intelligence Community  
Washington, D. C. 20505

Dear General Wilson:

With reference to Al South's letter to [redacted] of October 3, I wish to extend, on behalf of OMB, an invitation to the IC staff to participate in this fall's joint OSD/OMB Budget Hearings involving some of the intelligence activities to be addressed by the DCI in his consolidated intelligence program budget. Participation by the IC staff could be most helpful in fostering a community-wide perspective during these hearings, in providing its evaluation of the comparative effectiveness and efficiency of these intelligence operations, and in stating the priorities assigned by the DCI to various collection targets and production activities. In particular, we welcome guidance on the impact of the proposals presented in these hearings on substantive intelligence production.

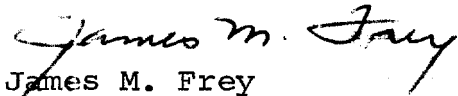
25X1

Because of changes resulting from new congressional budget procedures, this year's hearings will be extremely comprehensive and cover FY 1976, the three-month transition budget, and FY 1977 authorization requests. Out-year projections through 1980 will also be reflected in the President's Budget and will have to be considered during the course of the hearings. Thus, these hearings and similar reviews for other intelligence activities will be extremely significant in shaping the Intelligence Community in the years to come.

2

In consultation with OSD and the agencies involved, we will attempt to meet any specific needs for information and/or hearing you may identify.

Sincerely,

  
James M. Frey  
Deputy Associate Director  
International Affairs Division